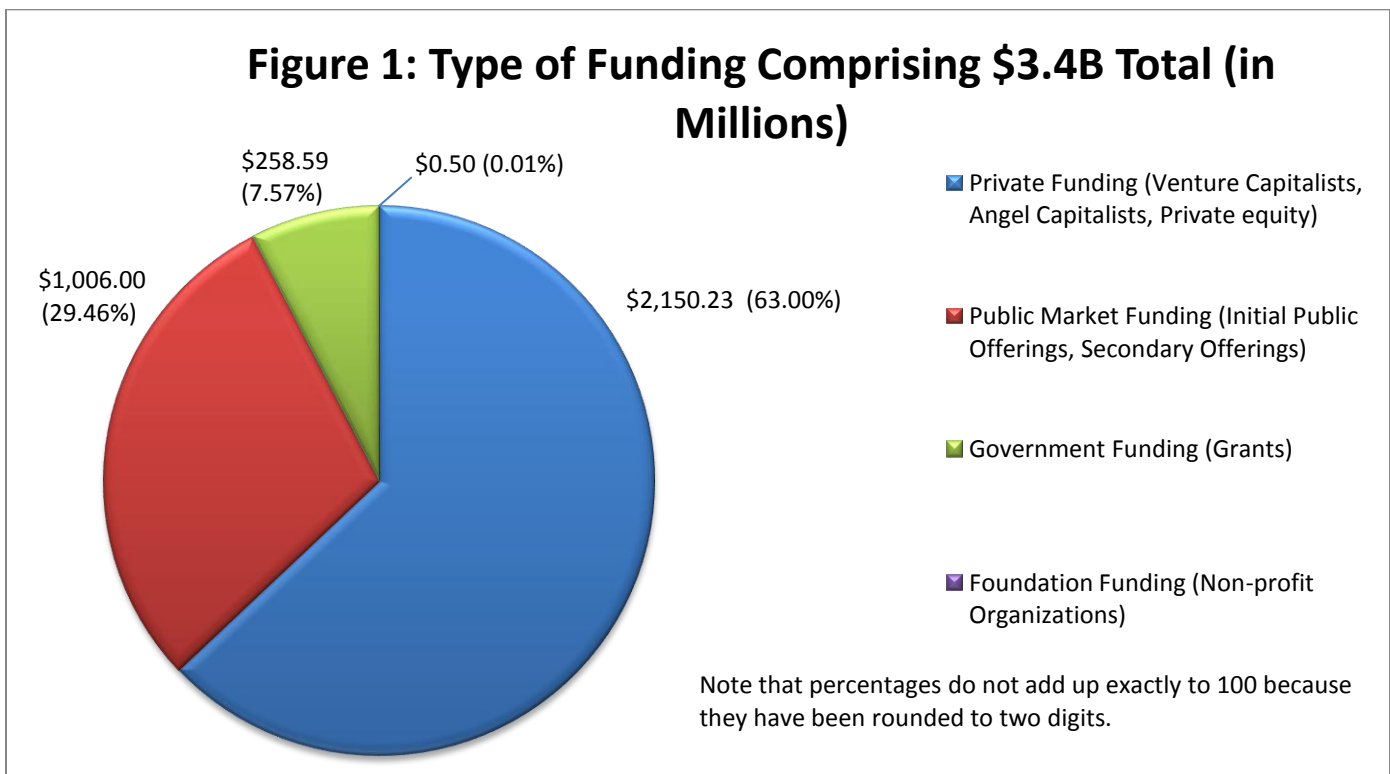


Preliminary Summary of Funding Successes Achieved by Companies after Presenting at the NREL Industry Growth Forum: 16th-22nd

By Kris Mahan and Chris Worley, June 2010

The goal of the National Renewable Energy Laboratory's (NREL) Industry Growth Forum (IGF) is to provide robust access to capital for clean energy entrepreneurs. The IGF accomplishes this task by bringing investors and entrepreneurs together so that entrepreneurs can obtain financing more easily. As shown in Figure 1, the majority of funding comes from private sources, followed by public, government, and foundation capital (see graph for examples of each type). Since almost two-thirds (63%) of funding comes from private sources and since the IGF brings entrepreneurs and private investors together, the IGF is a very efficient way for entrepreneurial companies to seek funding.



Using New Energy Finance (NEF), NREL has collected financial data for all presenting companies from all of the 16th-22nd Forums. Analysis of this data shows that the IGF's goal has been realized. Specifically, the analysis shows that the IGF has a significant, positive impact on companies' access to capital for at least three years after they present. Within these three years, presenting companies receive a significantly higher level of financing and also have a greater likelihood of entrepreneurial success (as measured by the number of acquisitions, mergers, and IPOs).

Since the 16th IGF in the fall of 2003, 202 different companies have presented at the IGF. These companies represent a wide variety of clean energy fields from solar and wind to efficient lighting and building design.

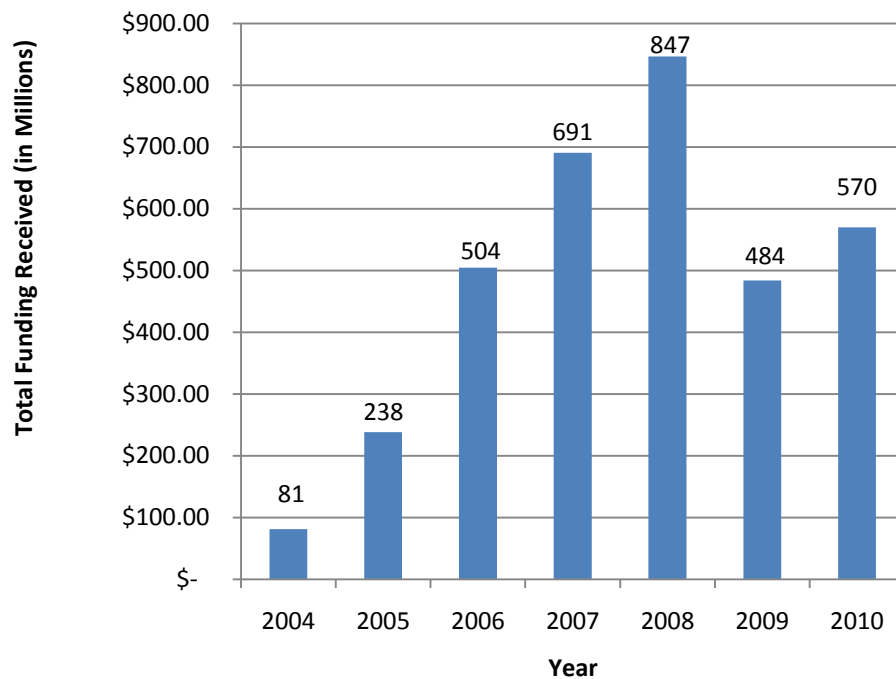
The 202 presenting companies have raised, at the very least, just over \$3.4B (\$3,415.32B) since first presenting at the IGF. As Figure 2 shows, over \$550M has been added to that total this year. The true amount of total funding since 2004 is actually larger because the financial arrangements of some transactions are not disclosed. At least 22 such examples have been found. These deals have not been included in the \$3.4B

because NREL can only estimate their value. There are also several transactions that NEF lists as planned. Although some of these transactions will probably not be completed (which is why they are not recorded in the data) some of them will be completed. Furthermore, some of these deals are worth significant amounts of money. Thus, only the transactions for which there is concrete data are recorded, but concrete data is not given for all transactions, resulting in an understatement of total funding received.

It is important to note that companies can present at more than one IGF. Therefore, to avoid over counting, companies who have presented at more than one IGF are only counted in the data of the first Forum at which they present.

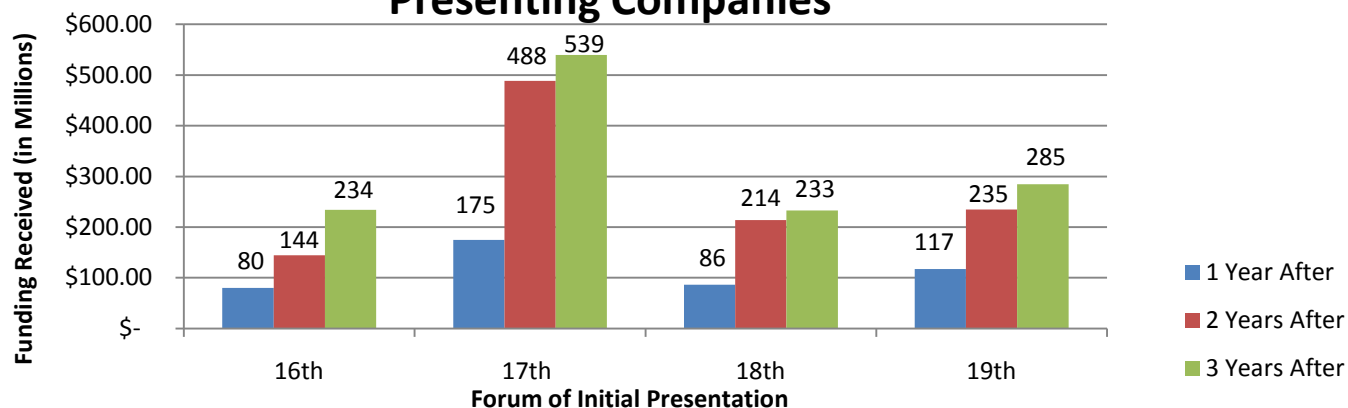
The IGF has the largest impact on companies within three years of presenting. Figure 3 shows funding totals for companies one year, two years, and three years since presenting. The growth of funding is largest for the first two years after presenting. After this, the growth of funding slows to pre-forum levels. This trend is independent of the specific forum, suggesting that the IGF has a significant positive impact on the amount of funding that presenting companies receive.

Figure 2: Total Dollar Amount of Post-Forum Funding Received By All Presenting Companies (16th-22nd)



Note that each consecutive bar includes an increased number of companies. For example, the 2004 bar includes companies that presented at the 2003 16th IGF and the 2004 17th IGF. The 2005 bar also includes the 2005 18th IGF presenting companies. Once the 23rd IGF takes place in the fall of 2010, the 2010 bar will include the 16th-23rd presenting companies.

Figure 3: Total Cumulative Financing Received by Presenting Companies*

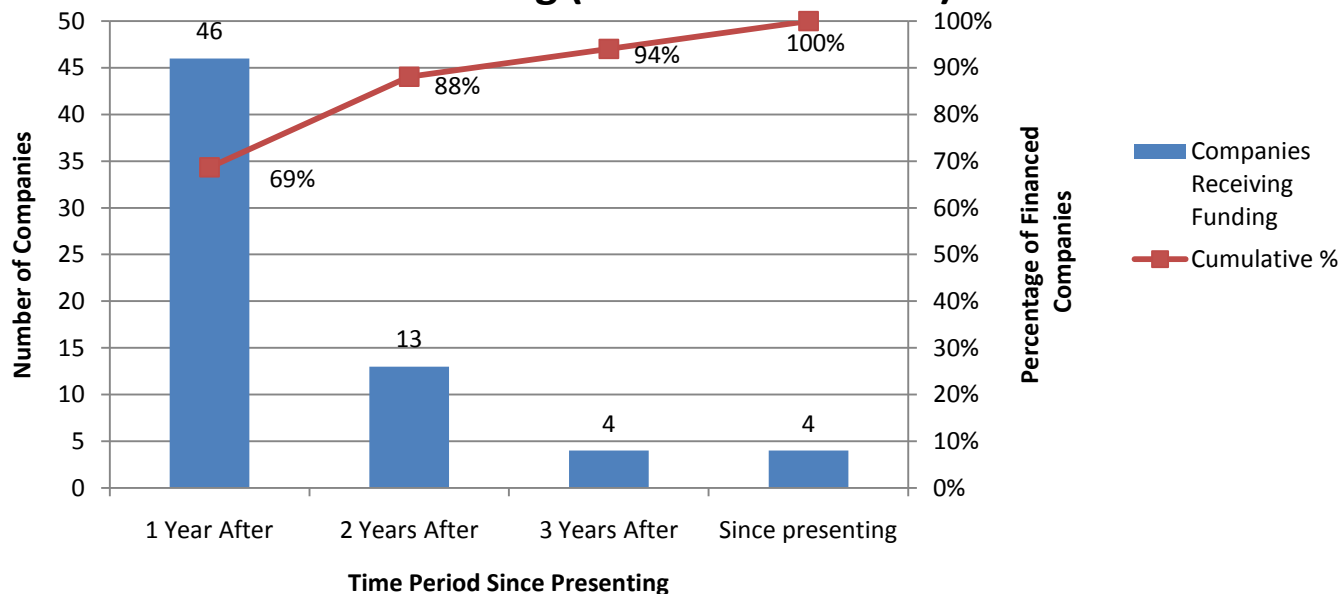


For example, the companies presenting at the 19th IGF received \$285M within three years of presenting.

*This graph includes data only up to the 19th Forum because it has not yet been three full years since the 20th Forum and so the data would be incomplete if included.

While the growth of funding usually peaks two years after presenting, over two-thirds (69%) of companies that ultimately receive funding receive some level of funding within one year of presenting. This information is shown in Figures 3 and 4. Figure 4 shows when presenting companies receive funding for the first time after presenting. Specifically it shows that most companies that receive funding will receive some funding within one year of presenting.

Figure 4: Number of Different Companies Receiving Funding (16th-19th Forums)



However, Figure 3 shows that the cumulative level of financing grows the most between the first and second years. This means that many of the companies that receive funding in the first year also receive larger amounts of funding in the second year. Thus, companies who present at the IGF usually receive more than one round of financing.

NREL is a national laboratory of the U.S. Department of Energy, Office of Energy Efficiency and Renewable Energy, operated by the Alliance for Sustainable Energy, LLC.

Although the most companies receive funding in the first year after presenting, some companies don't receive funding until about three years after presenting. As shown in Figure 4, the percentage of companies receiving funding increases steadily. Overall, 67 (59%) of the companies who presented at the 16th-19th Forums received funding. Most, but not all, of these companies received funding within three years of presenting.

Another indicator of IGF success is the number of companies that have been acquired, merged, or had an IPO. There have been five IPOs, fourteen acquisitions, and three mergers since the 16th IGF, for a total of 22. Over half of these exits have come within three years of presenting at the IGF. In other words, over half of these acquisitions, mergers, and IPOs have come within the time period when the IGF has the largest impact. Therefore, the IGF not only helps over half of presenting companies increase their funding levels for three years, it also increases the likelihood of achieving entrepreneurial success.

Throughout the last several years, NREL has initiated a major effort to upgrade the presentation and mentoring processes of the event. Subsequent Forums have witnessed at least twice as many presenting companies as had been seen in the past. The 22nd Forum featured 34 presenting companies and over 500 attendees, of which approximately 200 belonged to the investment community. With 285 companies in the applicant pool for the 22nd Forum (more than a 70% increase over the previous year's 165) and nearly twice as many investors on the selection committee, the overall quality of the IGF continues to improve every year.

The IGF is a unique opportunity for entrepreneurial companies in a wide variety of clean energy industries and it has brought previous presenting companies a three year increase in financing and an increased likelihood of a successful exit through an acquisition, merger, or IPO. Given NREL's expanded commitment to the quality of the Forum, the aforementioned benefits should only increase in magnitude, bringing more of a financial advantage to those companies that present.

Appendix A: Top 10 Forum Presenters who have Received the Most Funding (according to NEF)(in \$ millions)

Clipper Wind Power	866.6
Konarka Technologies	204.3
Ascent Solar	195.7
CaliSolar	184.5
SolFocus	179.7
Solar Systems Proprietary Limited	167.4
HelioVolt	141.5
Solaria Corporation	124.6
Advent Solar	118.0
Infinia Corporation	111.5

Appendix B: Winners of Past Forums and Amount of Funding Received since Receiving Award (in \$ millions)

2002	Company Total
Konarka Technologies	217.80
Starfire Systems	0.80
The Wind Turbine Company	-
HelioVolt	133.50
2003	
Advent Solar	118.00
Power Tube Inc.	-
ISE Corp.	54.20
2004	
SAGE Electrochromics	48.50
SC Power Systems	-
Thermo Chem Recovery Int.	-
2005	
Sol Focus (H2Go)	179.70
Prometheus Energy Company	56.50
Renewable Choice Energy	-
2006	
Plextronics	56.60
Franklin Fuel Cells	0.10
Ze-gen, Inc.	30.50
2007	
Wakonda Technologies	10.40
Bandgap Engineering	3.30
Albeo Technologies	1.50
2008	
Porous Power Technologies,	-
Evolutionary Genomics	-
Tendril	30.00
Ampulse Corp.	8.00
2009	
Ecovative Design	-
Exro Technologies	-
Evolutionary Genomics	see above